

MEMBERS, OCONEE COUNTY COUNCIL

Mrs. M. Fran Burrell, District I Mr. Jerry D. Dyar, District II
Mr. Michael E. Harper, District III Mr. Roy B. Strickland, District IV
Mr. Johnny D. Stone, District V

MINUTES, SPECIAL MEETING, OCONEE COUNTY COUNCIL

The Oconee County Council held a special meeting Friday, February 8, 1991 at 9:30 AM in the Oconee County Council Chambers with all Council Members and the County Attorney present.

Members of the press notified (by mail): Seneca Journal, Keowee Courier, Westminster News, Anderson Independent, Greenville News, WGOG Radio, WSNW Radio, WBES Radio, WZLI/WLET Radio, WYFF TV & WLOS TV.

Press

Members of the press present: Robin Boyles - Seneca Journal, Dick Mangrum - WGOG Radio & Ron Barnett - Greenville News.

All other persons who have asked to be notified of meetings were also notified by mail.

Other Person

The meeting was called to order by Supervisor-Chairman Crain who welcomed the guests and media.

Call to Order

The invocation was given by Mr. Harper.

Invocation

The purpose of the meeting was to discuss possible funding in the amount of \$1,250,000 the three cities for the purpose of helping correct the I & I problems of Seneca, Walhalla & Westminster so that the moratorium can be lifted.

Meeting

Mr. Crain stated he felt this would be the most important decision ever made by Oconee County Council. Prior to the sewer there had been no new industry in Oconee County in ten (10) years and unemployment had reached eighteen (18%) percent. Since the sewer Oconee County has been able to attract 3,000 new jobs plus the spin off jobs and unemployment has been around four (4%) percent. However, economic development in Oconee County is dead unless we can correct the sewer problems.

Mr. Crain further informed those present that McNair Law Firm has indicated that the county can put funds into correcting the problem if it is tied to economic development. (See attached)

Mr. Crain also stated the fund balance should be kept around \$2,000,000 as recommended by the auditor so the county will have funds if the projection of funds to be collected is less than what is actually collected, the county needs emergency funds and also these are the funds used to operate the county from the time the budget is adopted and taxes are collected.

Mr. Crain cautioned Council about spending very much of the fund balance for these reasons.

Mr. Crain stated one option would be to add sufficient mills on a one time basis to bring in the \$1,250,000. Based on a county mill being valued at \$165,000, it would mean a one time increase of 7.5 mills.

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Another option Mr. Crain presented to Council would be to borrow the funds and add one mill to the present millage to pay it back in seven to ten years depending on the interest rate.

Mr. Crain also presented the option of taking approximately \$250,000 from fund balance and borrowing \$1,000,000.

Mr. Devoe Blackson stated he agreed something had to be done but it should be something rather than raise taxes. He stated he felt the county could give the cities a low interest rate loan to be paid back on what is saved on the correction of I & I.

Mr. Ray Harrison stated he felt Mr. Crain's option was the best one and if any of the Council Members voted against it they should have a better proposal. Mr. Harrison also read the attached letter from the Tri County Board of Realtors, Inc. and the attached editorial from the February 1, 1991 issue of the Journal/Tribune.

Mr. Warren Carpenter of the Oconee Home Builders Association urged County Council to support Mr. Crain's proposal.

Mr. Talley Grant of the City of Walhalla stated the \$1,250,000 would not repair all the problems and a reduction in user fees is just not going to happen.

Mr. Mark Gilson of Keowee Key stated he was concerned about the growth of Oconee County but he differ with Mr. Crain, he stated he could support a loan to be paid back by user fees.

Mr. John Michael Powell stated he supported Mr. Crain's proposal because taxes would go up in the future due to lack of economic growth.

Mr. Luther M. Moss III stated he felt political differences should be put aside and a positive decision should be made once and for all.

Mrs. Burrell stated she agreed the sewer problems needed to be repaired so the moratorium can be lifed because everyone in the county is affected by it. As of December unemployment has risen to 6.8%. Everyone should be willing to make sacrifices to see that the moratorium is lifted, however at the present time with the recession and war she did not feel that the taxpayers should be asked to pay all the expenses for the repairs. She further suggested that \$250,000 come from fund balance, bonds for \$1,000,000 be sold and the interest for the first year at a total of \$123,408 also come from fund balance and increase the millage by one mill next year.

Mr. Stone stated he knew the problem needed to be solved, but he could not see a tax increase at this time due to the unemployment in the county. He further stated he liked Mrs. Burrell's plan.

Mr. Harper stated that someone had to finance the repair of the sewer lines. He said he knew that the cities had made some effort to correct the lines. He further stated he was not opposed to taking some funds from the county and adding it to a bond issue to correct the I & I, however he did not want to cripple the county departments. If the moratorium is lifted some industries will come to Oconee County which will create jobs, if it is not lifted, there will be no new industry in the county.

Mr. Dyar stated he supported County Council making funds available to the cities to correct the I & I problems, he also felt preventative measures should be taken in the future to assure this problem does not reoccur. He further stated he was opposed to providing the funding as proposed by Mr. Crain and made the following proposal:

\$300,000 from fund balance
\$250,000 from sewer funds
\$100,000 from road paving funds
\$130,000 from the purchase of a new fire truck
\$100,000 from revenue to towns
\$100,000 from cost of living raises
\$320,000 which is taking 1% from all budgets including
the school department

TOTAL \$1,300,000

Mr. Strickland stated he could not support Mr. Crain's proposal because there was no assurance the lines would be repaired.

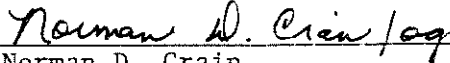
Mr. Crain stated that one problem with Mr. Dyar's proposal was that it was proposing to grant funds to cities that had not yet been appropriated and, if appropriated in the 1991-92 budget, would not be available until the end of this year or the beginning of next year and we hope to have the moratorium lifted before then.

Mr. Dyar stated he had thought of that and he never that said it would be easy.

After further discussion Mrs. Burrell made a motion, seconded by Mr. Harper, approved 3 - 2 (Mr. Dyar & Mr. Strickland voting against) that \$250,000 be taken from fund balance, bonds for \$1,000,000 be sold and that the interest on the bonds be paid back from fund balance at a rate of \$10,284 per month and one mill, if necessary, be added to the millage next year for the debt retirement.

Mr. Brandt, County Attorney, informed Council this would have to be done in the form of an ordinance and millage would have to be dedicated to the debt retirement.

Adjourn: 10:45 AM


Norman D. Crain
Supervisor-Chairman
Oconee County Council